

EXHIBIT 1
MAILED NOTICE

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

JAMES THORNTON, <i>et al.</i> ,)	
)	
Plaintiffs,)	
)	
v.)	Civil Action No. 98CV00890 (EGS)
)	
NATIONAL RAILROAD PASSENGER)	CLASS ACTION
CORPORATION (“AMTRAK”),)	
)	
Defendant.)	

NOTICE OF SETTLEMENT

AMTRAK EMPLOYMENT DISCRIMINATION LITIGATION

FROM: EMMET G. SULLIVAN
JUDGE, UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA
WASHINGTON, D.C.

TO: ALL PLAINTIFFS AND CURRENT AND FORMER BLACK
EMPLOYEES OF AMTRAK WHO WORKED IN POSITIONS
COVERED BY A COLLECTIVE BARGAINING AGREEMENT
BETWEEN AMTRAK AND THE BROTHERHOOD OF
MAINTENANCE OF WAY EMPLOYEES (BMWE) IN THE
NORTHEAST CORRIDOR, OR IN OPERATIONS UNDER
CONTRACT TO THE METROPOLITAN BOSTON TRANSIT
AUTHORITY, AT ANY TIME BETWEEN JANUARY 1, 1995 AND
MAY 5, 2000.

This Court wishes to inform you that a settlement, in the form of a Consent Decree, has been reached by Plaintiffs and Defendant Amtrak, in a lawsuit alleging race discrimination in employment. If approved by the Court, this will be a complete

settlement of the case and will provide various kinds of relief, including monetary relief, for those eligible members of the class who file timely claims.

The Court has reviewed the settlement and has given it preliminary approval. Before deciding whether to finally approve the settlement, the Court wishes to inform you of the general terms of the proposed Decree and of your right to comment on the settlement, if you so desire. If the settlement is finally approved by the Court and becomes effective after a hearing regarding the fairness of the settlement (“the fairness hearing”), the Court’s judgment will be final and binding.

This Notice is only a summary of the settlement. The Consent Decree which includes the entire settlement is available for inspection in the Office of the Clerk of the United States District Court, 333 Constitution Avenue, N.W., Washington, D.C. Other orders that the Court may issue from time to time regarding the administration of the Decree will also be on file with the Court. You alternatively may obtain a copy of the Consent Decree by paying Twelve Dollars (\$12) by check or money order to cover copying and mailing expenses, to the Agent for Class Counsel at: Amtrak MW Employment Litigation, P.O. Box 6636, Portland, OR 97228-6336, 1-768-1104; or by downloading it from the Court’s website or the site of Class Counsel, which respectively are <http://www.dcd.uscourts.gov/> or <http://www.amtraksettlement.com/>.

The Court will decide whether to give final approval to this Consent Decree after the fairness hearing to be held at 9:00 a.m. on June 21, 2000, at the U.S. District Court for the District of Columbia, 333 Constitution Avenue, N.W., Washington, D.C. You are not required to appear at the hearing. If you are a class member and do not appear, you will be represented by attorneys for the class at no cost to you. You may, if you wish, appear

and comment on or object to the settlement to the extent it might affect you. You may also hire an attorney of your own choice, if you wish, at your own expense. If you plan to comment on or object to the manner in which the Consent Decree might affect you, you must file a written notice of appearance identifying yourself and any attorney you may retain and state specifically why you want to object to the Consent Decree. This statement must be mailed to the Court at the following address: Clerk of the United States District Court for the District of Columbia, P.O. Box 19500, Washington, D.C. 20036. It must be postmarked on or before June 30, 2000 to be considered. You need not appear at the hearing for your comments or objection to be considered by the Court. However, you may appear only if you first file the notice and statement described above to advise the Court of your intention to appear.

SUMMARY OF DECREE

1. In April 1998, plaintiffs filed a class action lawsuit alleging that Amtrak had illegally discriminated against certain African American employees and applicants for employment. The employees had been employed in positions covered either by a Collective Bargaining Agreement (“CBA”) between Amtrak and the Brotherhood of Maintenance of Way Employees (“BMWE”) for the Northeast Corridor (“NEC”) or the Corporate Agreement (“CA”) between Amtrak and the BMWE insofar as it covers workers for the Metropolitan Boston Transit Authority (“MBTA”), (collectively, “BMWE positions”). The applicants had applied for BMWE positions and not been selected. Amtrak has denied all allegations and does not admit to any wrongdoing.

Following an intensive period of Court-ordered mediation, counsel for Amtrak and Class Counsel advised the Court that they had agreed in principle that the case should be settled without the uncertainty, delay, and expense of continued litigation.

2. You are a member of the class affected by the settlement agreement (the “class”) if you are a plaintiff or black person who, at any time between January 1, 1995 and May 5, 2000:

- a) has been employed by Amtrak in BMW positions; and/or,
- b) has applied and been rejected by Amtrak for BMW positions.

Even if you come within these definitions, however, you will not be able to recover any money under the Decree for any claim(s) as to which you knowingly executed a valid release or as to which there has previously been a final judicial determination. If you do not timely file a Claim Form and/or a Job Relief Form as explained below, you will also be barred in the future from making any such claims.

3. The agreement settles claims of discrimination against Amtrak, which were made or could have been made, by members of the class based on their employment or application for employment with Amtrak in a BMW position during the relevant time period.

If you have such a claim, the agreement provides your only procedure for asserting it unless you affirmatively “opt out” as provided in the Hearing section (page 11). Otherwise such claims are barred. Moreover, all plaintiffs and class members who accept a monetary award under the Decree will be barred from asserting any employment claim against Amtrak for actions or omissions relating to their employment in BMW

positions or application for BMW positions through May 12, 2000, except for claims under the Railroad Unemployment Insurance Act or the Railroad Retirement Tax Act.

The agreement settles only claims of discrimination that have been made or could be made by class members based on their employment or application for employment in BMW Positions in the NEC or Amtrak operations under contract to the MBTA. This does not affect management positions, non-BMW positions, or BMW positions in the Intercity or Amtrak West Strategic Business Units.

4. Under the settlement, Amtrak will pay Sixteen Million Dollars (\$16,000,000) plus interest into a Settlement Fund. It shall make four deposits. Within 30 days following final approval, Amtrak shall deposit Five Million Dollars (\$5,000,000) into the Settlement Fund. Amtrak shall deposit an additional Five Million Dollars (\$5,000,000) plus six percent interest compounded monthly during the intervening period, on or before October 15, 2000. The third and fourth payments of Three Million Dollars apiece (\$3,000,000) plus six percent interest compounded monthly during the respective intervening periods, shall be made on or before September 1, 2002 and October 15, 2002, respectively.

The Settlement Fund shall be administered by Class Counsel under the Court's supervision. The Fund will be divided into two portions. The first portion shall consist of ten million dollars (\$10,000,000) in the aggregate, together with interest and income earned on this amount. The Claims Portion shall be used to pay the plaintiffs and class members to compromise their individual employment claims and to maintain reserves for taxes. The remaining amount of the Fund will be used to pay counsel for the plaintiffs and the class for their attorneys' fees, experts' fees, mediation fees, and other expenses,

as well as the future costs of administering the Settlement Fund and monitoring Amtrak's compliance with the terms of the settlement.

5. IF YOU ARE A PLAINTIFF OR CLASS MEMBER AND WISH TO FILE A CLAIM, YOU MUST COMPLETE AND SUBMIT A CLAIM FORM IN AN ENVELOPE POSTMARKED ON OR BEFORE JUNE 30, 2000. A COPY OF A CLAIM FORM AND INSTRUCTIONS FOR COMPLETING IT ARE ENCLOSED. AFTER YOU FILE A TIMELY CLAIM FORM, YOU NEED DO NOTHING FURTHER UNTIL YOU ARE CONTACTED BY CLASS COUNSEL.

6. Class members, including plaintiffs, who timely file claim forms will have their claims reviewed for validity by Class Counsel applying the criteria for eligibility set out in the Consent Decree as part of the claims administration process. Claims will then be allocated points for responses to questions on the Claim Form based on uniform standards. The information will be verified for accuracy against Amtrak's employment data. Untruthful responses will disqualify a claimant.

The precise formula by which the claims portion of the settlement fund will be allocated among claimants has not yet been determined and must be approved by the Court. It is anticipated, however, that the formula will include points for the following and possibly other factors: (1) length of employment with Amtrak; (2) strength of claim and amount of damages from alleged denial of advancement opportunities (claims based on steering, qualifications, certification and testing); (3) strength of claim and amount of damages from alleged compensation discrimination (claims based on disparities in pay for overtime, or in seasonal furloughs); (4) strength of claim and amount of damages from discipline imposed (claims based on suspension or termination decisions);

(5) strength of claim and amount of damages from alleged racial conduct or language; and (6) contributions to the prosecution of the litigation. Points will be awarded to unsuccessful applicants for positions based on such factors as: (1) type of job sought; (2) demonstrated suitability and/or qualification for the job sought; (3) strength of claim; and, (4) contribution to the prosecution of the litigation. The precise formula for allocating the fund to class members, as well as the final proposed distributions, will be submitted under seal to the Court for approval.

Monetary awards to class members will be made by the Court based on analyses made by Class Counsel after reviewing the claim forms and applying the formula. The claimant awards to each claimant will reflect his or her total assigned points in proportion to total points of all claimants combined. At this time, it is not possible to predict how much money a particular claimant will receive, if any. Submission of a claim form does not automatically entitle you to an award or to points earned toward a monetary award.

All claimants obtaining monetary awards will be required to sign releases, in language agreed on by Class Counsel and Amtrak, of all employment-related claims concerning their employment in or application for BMW positions, and of claims against the Settlement Fund. Class Counsel will be required to withhold from each award, and deposit with the government, employment and income taxes.

7. At its own expense, and apart from the Settlement Fund, Amtrak has agreed to make revisions to its employment practices in the areas of (but not limited to) hiring, qualifications, certification and testing, training, job descriptions and postings, particularly with respect to tailoring job descriptions for specific individuals, disciplinary processes, and equal employment opportunity processes. The settlement provides for a

procedure governing incorporation of specific provisions from the Decree into the CBA at the end of the Decree's term, upon Court approval. The settlement does not provide for any quotas based on race. Nor does it provide for displacing anyone from a job.

The various prospective internal revisions in employment practices that Amtrak has agreed to implement are intended to enhance opportunities for employment and advancement of all Amtrak employees and applicants, without regard to race, and to provide for a workplace that promotes fairness for all employees.

Accordingly, Amtrak will: (1) revise selection and interview procedures; (2) revise its disciplinary procedures including the hearing process; (3) revise its cultural diversity training programs; (4) adopt uniform and objective procedures for selecting employees; (5) adopt uniform and objective procedures for testing, certifying and/or qualifying individuals on particular equipment or with respect to particular skills; (6) revise posting procedures for jobs; (7) undertake periodic comprehensive reviews to determine if certain supervisors, who are repeatedly the subject of EEO complaints, are engaging in a pattern and practice of discrimination; (8) guarantee the provision of specified and enhanced training opportunities for all employees based on seniority for a two-year period; (9) dramatically improve databases, including applicant flow, discipline and equal employment opportunity data; (10) create a new and independent office to staff internal equal employment opportunity investigations and conciliation, which shall report to the newly-created office of Vice President Business Diversity; (11) create the position of Vice President of Business Diversity, who shall, as an officer of the Corporation, report directly to the President of Amtrak and shall have the authority and obligation to implement new equal employment opportunity and diversity measures and/or disciplinary

actions up to and including termination on approval of the President; (12) revamp its internal equal employment opportunity complaint and investigation procedures; (13) introduce new “early resolution” procedures to address discrimination complaints in the workplace; and (14) clarify that discrimination and failure to discipline discriminators are offenses susceptible to termination. Amtrak’s compliance with its commitments will be monitored by the Court through reports to be supplied to Class Counsel by Amtrak, and quarterly meetings held between Amtrak and Class Counsel. Class Counsel thereafter will file periodic summaries of such compliance with the Court.

8. Under the Decree, certain class members who believe they were discriminatorily terminated from Amtrak are eligible to participate in a process designed to provide them with job relief in the form of reinstatement. The job relief process will include direct negotiation, followed by mediated negotiation if direct negotiation is unsuccessful, followed by a hearing before a neutral arbitrator if mediated negotiation is unsuccessful. The arbitrator may order such job relief upon individual proof of demonstrable incidents of discrimination. However, no such relief will displace any incumbent employee from his or her current position, and ordinarily it will be tied to a future vacancy. Class members who participate in this job relief process, however, will have deducted from the points allocated to them under the Court-approved formula fifty percent (50%) of the total points and all points related to such specific claim and pursuant to the Claim Form. **IF YOU ARE A PLAINTIFF OR CLASS MEMBER AND WISH TO SEEK JOB RELIEF, YOU MUST COMPLETE AND SUBMIT A JOB RELIEF FORM IN AN ENVELOPE POSTMARKED ON OR BEFORE JUNE 30, 2000. A COPY OF A JOB RELIEF ELECTION FORM AND INSTRUCTIONS**

FOR COMPLETING IT ARE ENCLOSED. AFTER YOU FILE A TIMELY JOB RELIEF ELECTION FORM, YOU NEED DO NOTHING FURTHER UNTIL YOU ARE CONTACTED BY CLASS COUNSEL.

9. Under the Decree, certain class members who can demonstrate that they were discriminatorily denied an opportunity to test and qualify for a particular skill, such opportunity was granted instead to a white employee, as a consequence of being denied the opportunity such class member was denied an advancement opportunity, and the class member ultimately was given and passed the qualifications test (hereafter “Test-takers”), are eligible to participate in a process designed to provide them with job relief in the form of retroactive seniority. The job relief process for Test-takers will include presentation of proof of each of the following and review by a panel administered by the BMW with the counsel of Class Counsel. Class members who participate in this job relief process, however, will have deducted from the points allocated to them under the Court-approved formula twenty-five percent (25%) of the total points and all points related to such specific claim. **IF YOU ARE A PLAINTIFF OR CLASS MEMBER AND WISH TO SEEK JOB RELIEF, YOU MUST COMPLETE AND SUBMIT A JOB RELIEF FORM IN AN ENVELOPE POSTMARKED ON OR BEFORE JUNE 30, 2000. A COPY OF A JOB RELIEF ELECTION FORM AND INSTRUCTIONS FOR COMPLETING IT ARE ENCLOSED. AFTER YOU FILE A TIMELY JOB RELIEF ELECTION FORM, YOU NEED DO NOTHING FURTHER UNTIL YOU ARE CONTACTED BY CLASS COUNSEL.**

10. Amtrak’s payment into the Settlement Fund will also cover costs, fees and expenses incurred by plaintiffs and the class in the litigation from its inception to date,

and to pay for the administration and distribution of the Settlement Fund, the handling of the job relief process, and the monitoring of Amtrak's compliance with the Consent Decree over its four-year term. These litigation, administration, and monitoring costs will be paid by Amtrak over and above the \$10,000,000 paid by Amtrak to resolve the claims of plaintiffs and class members. Thus, if you are a class member and receive an award from the Fund, you will not owe any fees or expenses to the lawyers who have represented you as part of the class.

HEARING

If you have an objection to the settlement and do not file it with the Court, the Court will not consider it in determining the fairness of the settlement. Any attorney who will appear at the hearing on **June 30, 2000** on your behalf must identify him/herself in writing to the Court no later than the last day for filing written objections, **May 31, 2000**. If you do not wish to object to or comment on the terms of the settlement, it is not necessary to attend the fairness hearing or do anything else.

If you are a class member and wish to pursue your own lawsuit against Amtrak arising out of acts of discrimination that occurred before May 5, 2000, you may notify the Court in writing that you request not to benefit from this settlement and not to proceed with a monetary or job relief claim under the terms of the Consent Decree. To be effective, any such "opt out" notice must be mailed to the Clerk of the Court at P.O. Box 19500, Washington, DC 20036 and postmarked no later than **May 31, 2000**. If you do not "opt out" from the settlement in this way, you will be bound by its terms and will not be able to pursue any separate discrimination charge or lawsuit for acts occurring before

May 5, 2000. Participation in the lawsuit will not bar you from pursuing claims of discrimination that occur on or after May 5, 2000.

Class members may obtain a written response to their written questions about the settlement from Plaintiffs' Lead Counsel by addressing your inquiries to Michael Lieder and Maia Caplan, Sprenger & Lang, 1614 20th Street N.W., Washington, D.C. 20009. The Washington Lawyers' Committee for Civil Rights & Urban Affairs, the Lawyer's Committee For Civil Rights Under Law of The Boston Bar, and Shapiro Haber & Urmy also represented plaintiffs and the class members in this action.

The judgment of the Court will be final as to the fairness and adequacy of this settlement. Its judgment will determine the rights of class members who do not opt out of the settlement and any other affected persons or entities with respect to the matters covered by the agreement, and you will be bound by the judgment whether favorable or not.

April 5 , 2000

Emmet G. Sullivan
Judge, United States District Court
for the District of Columbia